Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton

Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

May 15, 2003

CERTIFIED RETURN RECEIPT 7099 3400 0016 8896 2239

Lon Thomas Star Stone Quarries, Inc. 4040 South 300 West Salt Lake City, Utah 84107

Re: Notice of Tentative Approval, Large Mine Plan Permit Amendment, Star Stone Quarries, Inc., Cotton Thomas Mine, M/003/024, Box Elder County, Utah

Dear Mr. Thomas:

On March 6, 2003, we received your application to amend the Cotton Thomas Quarry large mining permit. After reviewing the submittal, we hereby grant tentative approval of the permit amendment. However, before final approval can be issued, Star Stone Quarries will need to acknowledge the corrections and clarifications made in the attached review document and submit a revised reclamation surety amount.

Because the total disturbed acreage for this project will increase by 23.25 acres, the reclamation surety amount must be adjusted. Since the current (\$105,200) surety was calculated using 1999 unit costs, we have updated the cost estimate using current unit costs and re-escalated the new surety for the next five-year period. A simple update of the existing surety amount using current unit costs (with no increase in surface disturbance), would increase the reclamation cost estimate to \$145,600.00. The additional 23.25 acres tied to this amendment adds an additional \$64,700.00 to the reclamation cost, bringing the final cost estimate to \$210,300.00.

The additional amount of surety can be submitted by a surety rider, or by providing a new form of surety for the \$105,100.00 balance. The reclamation contract will also need to be revised to reflect the change in disturbed acreage and amount of reclamation surety. Please contact



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Joelle Burns at (801) 538-5291, for the correct bonding and reclamation contract forms, or download the forms from our website at: www.ogm.utah.gov.

Please provide your confirmation of the attached plan clarifications and the revised surety amount to our office by June 20, 2003. If the new surety amount is not received by this date, we may withdraw our tentative approval and seek appropriate enforcement action to resolve the outstanding permitting issues. If you have any questions regarding this letter please contact me, or Lynn Kunzler at 538-5286 and 538-5310, respectively. If you wish to arrange a meeting to sit down and discuss this letter, please contact us at your earliest convenience. *Please remember that no mining disturbance is authorized outside of the current approved area, without our prior written approval.* 

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

jb

Attachment: Amendment Initial Review

Mike Ford, BLM Mary Ann Wright, OGM

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# INITIAL REVIEW OF PERMIT AMENDMENT (Received March 6, 2003)

Star Stone Quarries, Inc. Cotton Thomas Quarry

#### M/003/024

### R647-4-106 - Operation Plan

106.3 Estimated acreages disturbed, reclaimed, annually.

This amendment includes increasing the permitted acreage at three quarry pits. The 'Buckskin' area will be increased by 4.21 acres, the 'Autumn Gold' area will be increased by 1.6 acres, and the Aspen Frost/Klondike Gold area will be increased by 14.54 acres. An additional 1.6 acres is added to the permit because several roads were either widened, since the permit was originally approved (roads #1 and #2), or were constructed wider than originally anticipated (road #10). The main access road will also be re-aligned, and the old alignment will be reclaimed after the new alignment is constructed. This will involve an estimated 1.3 acres. We can apply the previously approved variance from reclamation (from the old alignment) to this new alignment. However, we will need to add the acreage and increase the reclamation surety to cover the reclamation costs of the old alignment until reclamation is determined to be successful. The total increase in the disturbed area due to this amendment is 23.25 acres (not the estimated 19 acres identified in your amendment). (LK)

Map #1 identifies 4.16 acres to be reclaimed during the 2003 season, not the 9 acres that you estimated. In addition to the 4.16 acres, the 'camp' area (1.66 acres) was also identified for release. The current plan identifies the 'camp' area as a topsoil (growth medium) borrow area for final reclamation. We previously approved a revegetation variance for the 'camp' area to facilitate post-mining use of the property. Because the area is still being used for mining-related activities, and it is identified as a source of topsoil for final project reclamation, we cannot eliminate the 'camp' area until the entire site is reclaimed. Also, we cannot reduce the reclamation surety, or the permit acreage for the areas to be reclaimed, until reclamation is completed and determined to be successful. <a href="Motor topsoil for final project reclamation surety does not include any reclamation cost associated with the 'camp', there is no advantage to remove it from the permit at this time. (LK)

Plans submitted on October 4, 2002, to re-locate the 'North Granite' quarry have been dropped and are no longer considered a part of this amendment. (LK)

#### R647-4-110 - Reclamation Plan

110.2 Roads, highwalls, slopes, drainages, pits, etc., reclaimed Refer to comments under R647-4-111.8 – (LK)

#### R647-4-111 - Reclamation Practices

111.8 All roads & pads reclaimed

On Map #2, you have identified several roads to be added to the variance from reclamation so that they may remain for post mining land use purposes (these include roads #2, #6, #7, #8, #10, #11, and #12). To date, the only roads for which a variance

Page 2 Initial Review Cotton Thomas Amendment M/003/024 May 15, 2003

from reclamation has been granted, is the road that loops from the camp to the Buckskin quarry, then to the Autumn Gold Quarry and back to the camp (identified as road #1 and shown in blue on Map #2). Of these roads, the requested variance for roads #2, #6, #11 and #12 has been denied in the past. With this amendment, you have not provided any additional information that would justify the need to leave these roads for the post-mining land use. Therefore, the variance request is still *denied*. Roads #7 and #8 were to have been reclaimed (along with the West Granite quarry) upon the completion of construction of road #10 last year. You have not provided justification to leave these parallel roads (roads #8 and #10). Therefore, the requested variance to leave roads #7 and #8 is also *denied*.

As indicated on the map, you state that road #10 is needed for access to the north end of the property and for ridge access for windmills. Before the Division can consider leaving roads to access windmills, you will need to demonstrate that the windmills are feasible and likely to occur (provide copies of the appropriate approvals, permits or clearances for zoning and construction of the windmills and their intended use). Access to the north end of the property does have merit. However, final approval to leave this road will not be granted until the end of mining, when the post-mining need for this road can be confirmed. (LK)

## R647-4-112 - Variance

Current variance policy is to temporarily suspend formal approval of post-mining land use variance requests that involve leaving facilities or structures, until the end of mining operations. This is to assure that the facilities or structures are appropriate and in a suitable condition for the intended post-mine use, and that the intended use is justifiable and substantiated. Until then, reclamation costs for these facilities will need to be included in the reclamation surety. If it is confirmed at the end of mining operations that certain facilities and structures are necessary to support the post-mining land use, then the permit and bond amount can be amended accordingly at that time. Please refer to the comments made under R647-4-111.8 as well. (DJ & LK)

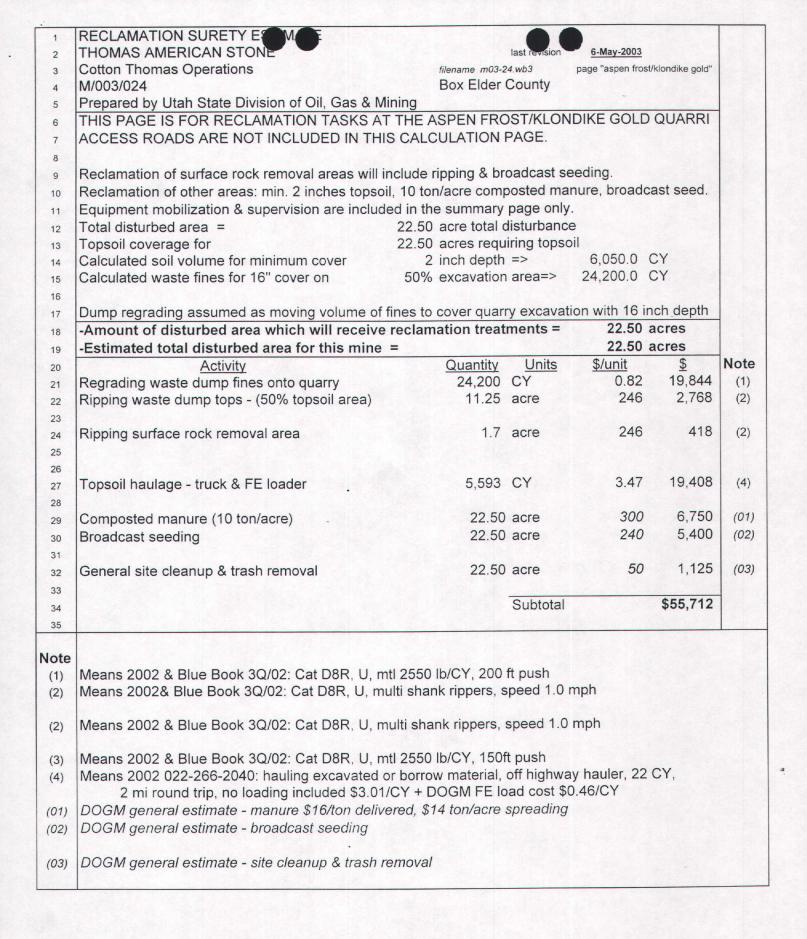
#### R647-4-113 - Surety

Because of the increased acreage associated with this amendment (23.25 acres), the reclamation surety will need to be adjusted. Typically, when the reclamation surety amount is adjusted, the Division also updates the unit costs associated with the current surety estimate and escalates the surety amount for the next five-year period. Attached is the revised surety estimate for the Cotton Thomas Operations, which includes all of the disturbance associated with this amendment. The revised surety amount must be provided to the Division before we can grant final approval of this amendment. (DJ)

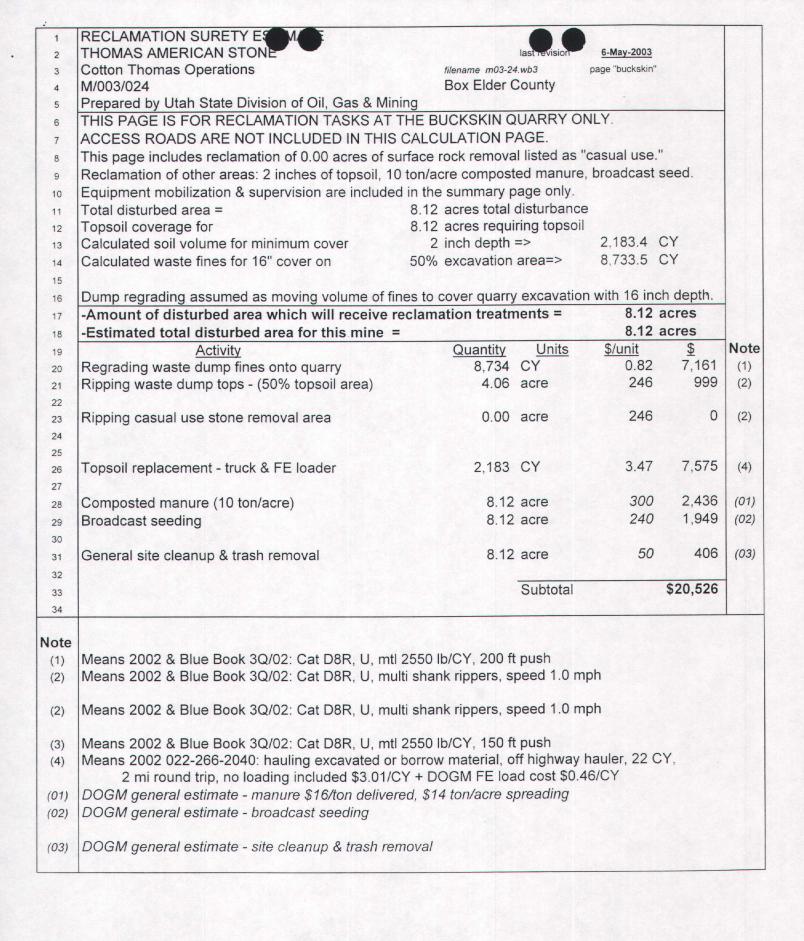
Attachment: Surety Estimate

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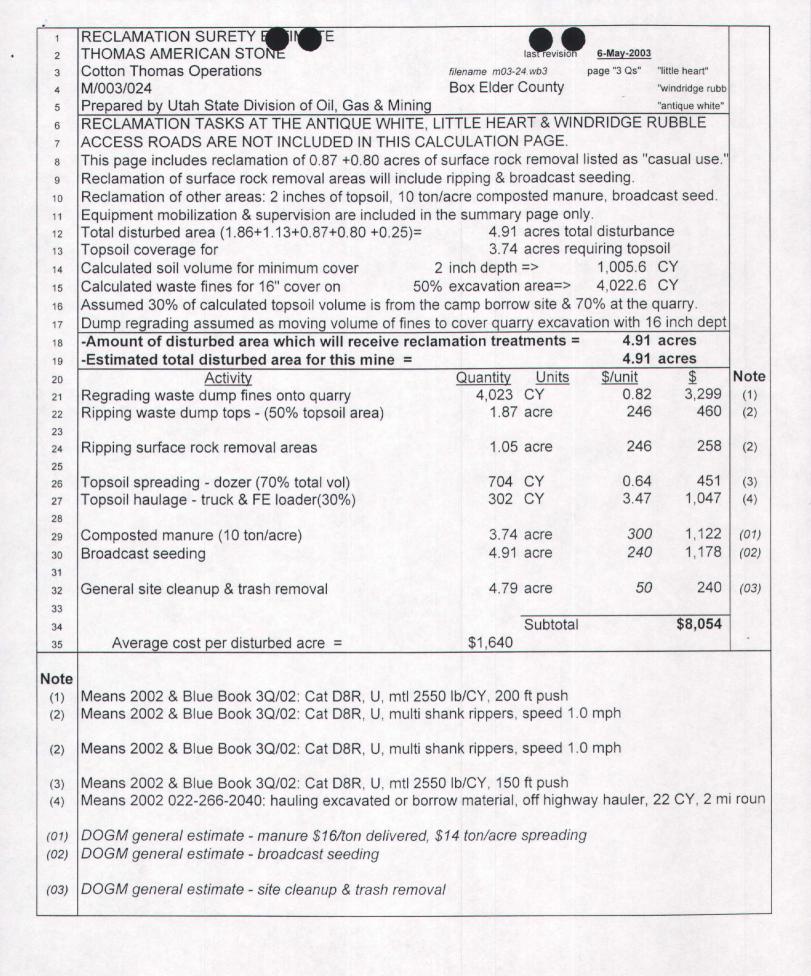
**RECLAMATION SURETY EST** THOMAS AMERICAN STONE 2 last revision 6-May-2003 Cotton Thomas Operations 3 filename m03-24.wb3 page "summary" M/003/024 4 **Box Elder County** Prepared by Utah State Division of Oil, Gas & Mining 5 THIS PAGE SUMMARIZES THE COSTS FROM THE INDIVIDUAL QUARRY ESTIMATE PAGES 6 Reclamation of surface rock removal areas will include ripping & broadcast seeding. 7 Other disturbed areas will receive a minimum 2 inches of topsoil, 10 ton/acre composted manure, & seed. 8 Areas which are granted a variance from reclamation requirements are listed below. 9 Other types of variances are described on individual site calculation pages. 10 -Amount of disturbed area which will receive reclamation treatments = 78.85 acres 11 -Estimated total disturbed area for this mine = 12 89.57 acres 2003 individual 13 reclamation acreage MINE SITE OR FEATURE variance to be site permitted Revised 14 reclaimed estimates 15 acreage Acreage. acreage CAMP AREA 1.66 0.00 1.66 16 **BUCKSKIN QUARRY** 8.12 \$20,526 3.91 4.21 17 **AUTUMN GOLD QUARRY** 0.00 18.26 1.60 \$25,334 18 16.66 \$55,712 ASPEN FROST / KLONDIKE GOLD 7.96 14.54 22.50 19 ANTIQUE WHITE 0.00 1.86 combined 20 1.86 LITTLE HEART 1.93 1.93 \$8,054 21 WINDRIDGE RUBBLE 0.00 1.12 22 1.12 NORTH GRANITE 3.52 combined 23 3.52 **EAST GRANITE** 2.12 0.00 2.12 24 WEST GRANITE 0.47 25 0.47 \$8,396 26 SOUTH GRANITE 0.40 0.00 0.40 27 TOTAL ACCESS ROADS 2.90 9.06 18.55 \$37,748 24.71 28 29 31 ACREAGE TOTALS 23.25 10.72 78.85 66.32 32 33 SUBTOTAL RECLAMATION COSTS \$155,77°Q 34 35 \$/unit note quantity unit 36 10,000 Equipment mobilization 5 equip 2.000 (05)37 dozer, FE loader, trackhoe, truck, fuel/lube truck 38 Reclamation Supervision - 10% of Reclamation Estimate 39 (7) Subtotal 165,770 40 10% Contingency 16,577 41 \$182,347 Subtotal 42 Escalate for 5 years at 2.89% per vr 27,917 43 \$210,264 Total 44 Rounded surety amount in yr 2008-\$ \$210,300 45 Average cost per disturbed acre = \$3,171 46 note (05) DOGM general estimate - equipment mobilization Means 2002, 010-036-0180, project manager, minimum \$2000/wk



RECLAMATION SURETY E THOMAS AMERICAN STONE 2 6-May-2003 Cotton Thomas Operations filename m03-24.wb3 3 page "autumn gold" Box Elder County M/003/024 4 Prepared by Utah State Division of Oil, Gas & Mining 5 THIS PAGE IS FOR RECLAMATION TASKS AT THE AUTUMN GOLD QUARRY ONLY. 6 ACCESS ROADS ARE NOT INCLUDED IN THIS CALCULATION PAGE. 7 This page includes reclamation of 4.12 acres of surface rock removal listed as "casual use." 8 Reclamation of surface rock removal areas will include ripping & broadcast seeding. 9 Reclamation of other areas: 2 inches of topsoil, 10 ton/acre composted manure, broadcast seed. 10 Equipment mobilization & supervision are included in the summary page only. 11 Total disturbed area (16.66+ 1.60) = 18.26 acres total disturbance 12 Topsoil coverage for 9.14 acres requiring topsoil 13 Calculated soil volume for minimum cover 2 inch depth => 2,457.6 CY 14 50% excavation area=> Calculated waste fines for 16" cover on 9,830.6 CY 15 16 Dump regrading assumed as moving volume of fines to cover quarry excavation with 16 inch dep 17 Previous variance granted by the Division to allow 12 ft highwalls to remain. 18 Variance granted by the Division did not require topsoil salvage at initial 5 acre quarry excavation 19 -Amount of disturbed area which will receive reclamation treatments 17.93 acres 20 17.93 acres -Estimated total disturbed area for this mine = 21 Note Units \$/unit \$ Activity Quantity 22 9,831 CY 8,061 0.82 Regrading waste dump fines onto quarry (1) 23 246 1,124 Ripping waste dump tops - (50% topsoil area) 4.57 acre (2) 24 25 246 1,501 Ripping surface rock removal area 6.10 acre (2) 26 27 28 3.47 4.251 Topsoil haulage - truck & FE loader 1.225 CY (4) 29 1,124 Topsoil replacement (dozer) 4.57 acre 246 30 300 3,978 Composted manure (10 ton/acre) 13.26 acre (01)31 4,382 18.26 acre 240 (02)Broadcast seeding 32 33 18.26 acre 50 913 (03)General site cleanup & trash removal 34 35 \$25,334 Subtotal 36 37 Note Means 1999 & Blue Book 3Q/99: Cat D8R, U, mtl 2550 lb/CY, 200 ft push (1) Means 1999 & Blue Book 3Q/99: Cat D8R, U, multi shank rippers, speed 1.0 mph (2) Means 1999 & Blue Book 3Q/99: Cat D8R, U, multi shank rippers, speed 1.0 mph (2)Means 1999 & Blue Book 3Q/99: Cat D8R, U, mtl 2550 lb/CY, 150 ft push (3) Means 1999 022-266-2040: hauling excavated or borrow material, off highway hauler, 22 CY, (4) 2 mi round trip, no loading included \$3.01/CY + DOGM FE load cost \$0.46/CY DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading (01)DOGM general estimate - broadcast seeding (02)(03)DOGM general estimate - site cleanup & trash removal



RECLAMATION SURETY THOMAS AMERICAN STONE 6-May-2003 2 Cotton Thomas Operations filename m03-24.wb3 3 page "4 granite quarries" Box Elder County M/003/024 4 Prepared by Utah State Division of Oil, Gas & Mining 5 THIS PAGE IS FOR RECLAMATION TASKS AT THE N. W. S & EAST GRANITE QUARRIES. 6 ACCESS ROADS ARE NOT INCLUDED IN THIS CALCULATION PAGE. 7 This page includes reclamation of 0.00 acres of surface rock removal listed as "casual use." 8 Reclamation of surface rock removal areas will include ripping & broadcast seeding. 9 Reclamation of other areas: 2 inches of topsoil, 10 ton/acre composted manure, broadcast see 10 Equipment mobilization & supervision are included in the summary page only. 11 6.51 acres total disturbance Total disturbed area (3.52+0.47+0.40+2.12) =12 6.51 acres requiring topsoil Topsoil coverage for 13 1,750.5 CY Calculated soil volume for minimum cov 2 inch depth => 14 1,400.4 CY Calculated waste fines for 16" cover on 10% excavation area=> 15 Assumed 30% of calculated topsoil volume is from the camp borrow site & 70% at the quarry. 16 Dump regrading assumed as moving volume of fines to cover quarry excavation with 16 inch d 17 -Amount of disturbed area which will receive reclamation treatment 6.51 acres 18 -Estimated total disturbed area for this mine = 6.51 acres 19 \$ Note Activity Quantity Units \$/unit 20 1,400 CY Regrading waste dump fines onto quarry 0.82 1.148 (1) 21 Ripping waste dump tops - (50% topsoil area) 3.26 acre 246 801 (2) 22 23 Ripping casual use stone removal area 0.00 acre 246 (2) 24 25 1,225 CY 0.64 784 Topsoil spreading - dozer (70% total vol.) 26 3.47 1,822 Topsoil haulage - truck & FE loader (30%) 525 CY (4) 27 28 300 1,953 Composted manure (10 ton/acre) 6.51 acre (01) 29 240 1,562 Broadcast seeding 6.51 acre (02)30 31 326 General site cleanup & trash removal 6.51 acre 50 (03)32 33 Subtotal \$8,396 34 35 Note Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 200 ft push (1) Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph (2) Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph (2)Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 150 ft push (3) Means 2002 022-266-2040: hauling excavated or borrow material, off highway hauler, 22 CY, (4) 2 mi round trip, no loading included \$3.01/CY + DOGM FE load cost \$0.46/CY DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading (01)DOGM general estimate - broadcast seeding (02)DOGM general estimate - site cleanup & trash removal (03)



RECLAMATION SURETY E THOMAS AMERICAN STONE 6-May-2003 2 Cotton Thomas Operations filename m03-24.wb3 page "cotton roads" 3 Box Elder County M/003/024 4 Prepared by Utah State Division of Oil, Gas & Mining 5 THIS PAGE IS FOR RECLAMATION TASKS FOR ACCESS ROADS ONLY 6 Road disturbances to receive 5 ton/acre of composted manure. 7 Road disturbances will not receive additional topsoil placement. 8 Equipment mobilization & supervision are included in the summary page only. 9 Road reclamation includes ripping or regrading, composted manure & seeding unless stated otherwise. 10 Approximately 1.0 mile x 16 ft road (1.93 acre) is expected to require trackhoe regrading. 11 acreage variance **ROAD DESCRIPTION** length width(ft) 12 9.78 9.06 20 21290 1. Loop Road (camp-autumn gold-buckskin-camp) 13 0.68 widened 2. Camp to Antique White 1850 16 no 14 14 1.13 3515 no 3. Camp to Autumn Gold 15 0.86 2090 18 no 4. Autumn Gold to Aspen Frost/Klondike Gold 16 1200 16 0.44 no 5. Access to Little Heart 17 20 1.50 3260 no 6. Access to Windridge Rubble 18 18 0.76 1850 no 7. Buckskin to South Granite 19 16 2.43 8. Access to North & West Granite) 6620 no 20 3835 1.41 16 no 9. Access to East Granite 21 23 4.32 widened 10. Buckskin to North Granite via ridge 8190 no 22 20 2.20 4800 no 11. Access to Briggs Quarry 23 0.80 widened 12. Windridge Rubble to Mahagany Draw 1930 18 no 24 20 1.30 13. New Access Road 2835 26 27 27.62 Total road disturbance 28 9.06 Road disturbance granted a variance from reclamation & reclaimed 29 18.56 Road disturbance being reclaimed 30 8.32 Road disturbance requiring trackhoe work 31 10.24 Road disturbance requiring dozer ripping 32 -Amount of road disturbance which will receive reclamation treatments 18.56 acres 33 -Estimated total road disturbed area for this mine = 27.62 acres 34 Note Quantity Units \$/unit \$ Activity 35 Ripping access roads - dozer 10.24 acre 613 6,276 (2)36 (5) 0.00 acre 613 Regrading access roads - dozer 37 1.25 22,854 (6) Sidecast mtl replacement on steep roads- trackhoe 18.283 LF 38 39 150 2.784 (04)18.56 acre Composted manure - roads (5 ton/acre) 40 18.56 acre 240 4,454 (02)Broadcast seeding 41 42 50 1,381 (03)General site cleanup & trash removal 27.62 acre 43 \$37,748 Subtotal 44 45 Average cost per disturbed acre = \$1,367 Note Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph (2)Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth (5)Contractor's actual costs, 1991 at E/053/012, Cat 225 Excavator, 20 ft wide road \$0.85/LF (6) cost escalated to 2002 as \$1.25/LF DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading (04)(02)DOGM general estimate - broadcast seeding

DOGM general estimate - site cleanup & trash removal

(03)